

The Proposed Syndicate—Mr. Jay Cooke's Confession and Explanation—Mr. Boutwell's Duty and Opportunity.
Mr. Jay Cooke makes a contribution to the Syndicate literature of the day in a card which we print in another column. The explanation and exposure made by the HERALD of the celebrated Syndicate despatch, which was originally circulated through the Associated Press as an advertisement by some of Mr. Cooke's ingenious London agents, seem to have annoyed him. So he makes his own appeal to the public and asks us to pass judgment.

Let us repeat the history of this transaction and see if anybody is to blame in the premises but Mr. Cooke or his ingenious London agents. Some days ago a cable despatch was sent here and printed in the newspapers parading the statement that Mr. Cooke, through his London partners and the famous house of Rothschilds, had made a proposition to take the whole of the six hundred millions of the new loan. The despatch was curiously worded, so as to produce this impression without exactly saying so. A proposition "has been made," so it ran, "looking to" the purchase of the whole loan. Now, the words "looking to" saved the despatch from being absolutely false, although they did not prevent its being false by inference. Any Wall street curbstone broker, for instance, might go into the Sub-Treasury and offer to buy a thousand dollar bond at a certain rate and then print in the newspapers that he had made a proposition to Mr. Hillhouse "looking to" the purchase of a hundred millions. In fact he would tell what would be true, but what would be in reality no less an untruth.

There is falsehood by suggestion as well as falsehood by expression, as Mr. Cooke may learn from the fathers; and what the HERALD complained of in this despatch was that it suggested a falsehood and suppressed an essential part of the truth. The street believed the untruth thus conveyed, especially when a few days after it was also telegraphed to New York that the President and Secretary Boutwell were in Philadelphia and "in consultation" with Mr. Jay Cooke himself as to the terms of this new loan. This was another misstatement; but it came in time, and served to strengthen the impression made by the cable despatch. The ingenious advertising agent in London was answered back by another advertising agent in Philadelphia, and the expedient succeeded. Now, so far as we can learn, there was no "consultation" between Mr. Cooke and the President and Secretary Boutwell in Philadelphia. The tone of Mr. Cooke's letter confirms this. The work planned in London was done. There was the story in circulation that Mr. Cooke and the famous and mighty house of Rothschild (mark the adroit combination) were about to take six hundred millions of the new loan; that the offer was so important that the Secretary of the Treasury and even the President had hurried to Philadelphia to "consult" with Mr. Cooke, and that we were to have a financial triumph of unparalleled splendor. For forty-eight hours the street accepted this and marvelled at it. At last the HERALD, searching out the truth, as in duty bound to the public, quietly exploded the bubble by announcing that no such proposition had been made as telegraphed from London; that the cable despatch was far enough from the truth as practically to be false, and that the "consultation" in Philadelphia was an exaggeration of a call of courtesy. The next day the complaisant Washington correspondent of the Associated Press, being also in the advertising frame of mind shown in London and Philadelphia, denied the HERALD's news and repeated the old story regarding it again, under the convenient phrase, "looking to." The HERALD again affirmed its news. The Tribune came into line and admitted its truth. Mr. Boutwell himself confirmed it; and now comes Mr. Cooke with a card confessing that his agents, or people inspired by his agents, succeeded in making Wall street believe one thing about the proposed Syndicate until the HERALD showed that quite another thing was true. As we said at the time, it was an "advertising expedient," and this Mr. Cooke does not deny.

Nor is it fair for Mr. Cooke to complain of Mr. Boutwell for not "stating to the reporters what had occurred." It was not Mr. Boutwell's business to hunt up reporters and correct Mr. Cooke's advertisements. Mr. Boutwell did not send the first despatch from London, with its suggestion of falsehood. Mr. Boutwell did not telegraph from Philadelphia that he was there in "consultation" with Mr. Cooke; nor did Mr. Boutwell contribute to the deception by any despatch from Washington. Mr. Boutwell is a man of honor, singularly truthful and discreet. We regard Mr. Jay Cooke as a man of honor and integrity. He should teach his agents that bonds cannot be made popular by the tricks of a dealer in patent medicines. In financial matters people do not simply want the truth, but the most careful, painstaking and elaborate rendering of the truth. This was not done. A false impression was made. It was steadily kept alive. The Associated Press was made to contribute to its existence. The whole country was placed under one impression while quite another was true. And now, when the HERALD establishes the truth, Mr. Cooke admits that we were correct.

The proposition, then, really is this: that the new Syndicate shall take \$50,000,000 of the new five per cent loan before February 1, with the option of taking \$50,000,000 more during this year. And that upon making the interest payable in London \$200,000,000 of the five per cents and \$300,000,000 of the four and a half per cents would be taken before the end of 1873. The terms of this negotiation are to be the same as those of the present Syndicate—the same violations of law; the same temporary increase of the public debt and interest, the same abandonment of so much capital to the use of private houses—for a term of months to use it as they please—without a dollar of security, with the additional and to us ignominious concession of paying interest on American bonds in an English capital, as though we were some starving Spain or bankrupt Turkey, and could only borrow money by paying tribute to the monarchs of the English money market. Let us make this concession alone—this ignominious and humiliating concession—and we give London an ascendancy over New York

as a money market that a half century will not overcome. Every six months we must send our stream of gold to London. This may be an advantage to Mr. Cooke's English house—for we presume that commissions are commissions to this astute banker, whether he pockets them in London or New York—but he can hardly ask the nation to make the additional sacrifice for the purpose of adding to his own income. Let us pay our interest at our own Treasury, and those who have our bonds will find a way to receive it.

Furthermore, there must be no more Syndicate schemes like the present. Mr. Cooke himself, not being, we presume, an adept at "cards," shows himself how weak it is. In the first part of his letter he desires to take \$50,000,000 this year—perhaps, in all, \$100,000,000. Then, if we change our law to suit his business interests, he will take \$500,000,000 in 1873. This is intelligible. But at the end he goes on to say, "the whole \$600,000,000, in my opinion, can be funded into four and a half and five per cents during the present year." Now, if Mr. Cooke thinks he can finish this work in 1873, why does he desire special legislation and the right to wait until the close of 1873? Is there any more interest to be gained from the Treasury—any hidden scheme for holding and using a vast amount of capital for a term of months without security? The whole thing looks like what the traders call a "dicker," and is unsound. There were classes in the earlier times who made money by "clipping" the coins of the realm. Mr. Cooke and his friends seem anxious to make money by a financial process that is little more than "clipping" the bonds and coupons of the republic.

The country has been generous and trustful to the Secretary of the Treasury. We ask him to take lessons from his own experience. Let him throw aside any timid, make-shift corner-grocery policy. We desire his success, and the way to success invites him. As Mr. Cooke says, in his second thought, he can find this whole loan in 1872. To do so he must make a broad, open and generous Syndicate. He must permit no suspicion of jobbery. He must allow no one house to farm out the government business to other houses, reserving all the honor of the undertaking and a percentage on every bond sold. Neither Mr. Cooke nor the Rothschilds nor any house in the world has the right to ask this pre-eminence from the government of the United States. And when next time Mr. Jay Cooke or "my brother, Governor Cooke," has to use the Court Journal rhetoric of this Philadelphia banker, "audience with the Secretary," let Mr. Boutwell say, "I shall have no more jobs, no more bargains made in a night, no more exclusive privileges, no more increase of the debt and interest, no more handling of public money by private houses without security, no more bending of this nation's credit to serve one house or any Syndicate of houses. On the contrary, here is the law and my construction of the law. I throw this loan open to the world, to American houses and foreign houses, to Rothschilds and Baring. I expect every banker to sustain the credit of the government and to share in any gain therefrom. If you will come with the rest, welcome! If not, you know your business. But no more reserved high places in the synagogue of the Treasury."

Congress Yesterday—A Dull and Uneventful Day.

The proceedings in either House yesterday were unmarked by any features deserving of special notice. In the Senate Mr. Carpenter, of Wisconsin, made a speech against the proposed method of reforming the civil service. He regarded it as a mistaken and dangerous policy, and expressed his regret that the President had given it his sanction and approval. The petition of the woman suffragists was reported back adversely from the Judiciary Committee, and the committee was discharged from its further consideration. Undaunted by repeated failures, an effort is now made to give to women in the Territories the right to vote and hold office, and Mr. Wilson, of Massachusetts, introduced a bill yesterday to that effect. We are not aware that there is anything in existing laws to prohibit women in the Territories or elsewhere holding any offices which they may be fortunate or unfortunate enough to get; but as to their taking part in political strife and chicanery there or anywhere else, we know of no man who would propose such degradation for his own wife, sister or daughter, and the sooner this unwholesome fungus of agitation is covered up from public attention the more creditable it will be to American society. The thing is a stretch in the nostrils of all respectable, right-minded people.

The House, in the absence of the Speaker, caused by the serious illness of one of his children, appeared to lack somewhat of its usual life and vigor. It dived for a couple of hours over bills granting pensions to invalid soldiers and widows, and then adjourned for want of anything better to do. The Pension and Post Office Appropriation bills for the next fiscal year were reported and made special orders for next week.

THE STREET CAR TRAGEDY IN ULICA.—We publish to-day a full account of this terrible affair. Josephine McCarthy, a woman whose character, according to her own admission, was anything but spotless, entered a street car at about ten o'clock on Wednesday morning, and, after speaking to a man whom she alleges had ruined her prospects for life, deliberately drew a revolver and after shooting him through the face, the ball passed into the heart of his friend, instantly killing him. The story promises to be a sensational one, and, coming immediately after the recent assassination in this city and having for its basis similar characteristics, it will be read with additional interest.

THE POPE TAKEN ILL SUDDENLY.—A HERALD special telegram from Rome reports that His Holiness Pope Pius the Ninth was seized with illness, suddenly, on Wednesday, and compelled to retire to bed. He is troubled with a cough, but it is thought that he is not seriously indisposed. A Pontifical reception which was to have been held at the Vatican the same day was postponed. The Pope is in the eightieth year of his age. He will complete the period should his life be spared to the 13th of May.

The Herald's Nile Expedition—Good News of Sir Samuel Baker—Africa.

From the Grand Duke's splendid buffalo hunt in Nebraska to our expedition up the Nile we have now the honor to invite our readers. A special cable despatch brings us some very agreeable intelligence in reference to the HERALD's Nile expedition, organized for the express purpose of settling all doubts as to the fate of the great Egyptian annexation expedition of Sir Samuel Baker, from which for many months no tidings had been received, except reports of a fatal disaster. We now hear that Sir Samuel is well, and that our exploring party, on January 16, had reached Karasko, from six to seven hundred miles from Cairo, up the river, between the First and Second Cataract—the cataracts being counted from below. Between Karasko and Abu Ahmed (or Moorabab Hammad, as our reporter gives it), the river makes a great semicircle of several hundred miles; and to shorten the distance and to avoid the rough, rocky ridges along the river, the usual route of travel is by the chord between the two points named, which is a terrible journey across the burning and waterless desert of Nubia.

Abu Ahmed is near the Fifth Cataract, which sufficiently indicates the rugged and impassable character of the country between it and the First Cataract by the line of the river. The desert journey between the two points occupies some eight days, and as there is no water on the route that which is needed by a caravan must be carried along with it. Hence our commissioner had provided for his party on this desert trip four dromedaries and fifty camels, which, doubtless, would carry him through. This is the route pursued by Sir Samuel Baker in his famous expedition into Abyssinia, in which, by actual observation, he solved the problem of the annual inundation of Egypt. He saw that this inundation, drawn from the Indian Ocean, comes from the enormous spring rain fall on the lofty tablelands and mountains of Abyssinia, poured down by the Blue Nile and the Atbara into the main river. For instance, he and his party one night had pitched their tents on the dry bed of the Atbara, because it was so solid and comfortable than the hot, dusty soil on the river banks. But in the middle of the night some of his Arabs gave the alarm, "The river! The river!" which, like the cry of "Fire!" "Fire!" roused the whole camp and started them, with their tents and hammocks, at full speed up the river bank; and then came rolling down in the river bed a wall of water like a tidal wave—the beginning of the spring flood from Abyssinia. Next morning that which was a dry excavation had become a mighty river, five hundred yards wide and forty feet deep, and with the rushing current of the Missouri with its spring freshets from the Rocky Mountains.

In his next important Nile expedition, that up the main river to its great equatorial lakes, Baker solved the mystery of the exhaustless volume of the main stream all the year round for fifteen hundred miles through the nameless and roasting deserts of Nubia and Egypt. He found that the main river's inexhaustible stream comes from the abounding rains with which those equatorial lakes are supplied; and thus to Baker belongs the credit of settling the causes of the never-failing stream of the Nile and the annual inundation of Egypt. From those expeditions, moreover, he brought such reports of the fertility of the regions around those great lakes and below them, that the Khedive of Egypt resolved to annex them and his glorious river to its sources. Hence this great army expedition under Baker from the Egyptian government. Our despatch reports him at Khartoum, which lies in the fork at the junction of the Blue and the White Nile, or main river, some fifteen hundred miles or more up the stream from Cairo.

Khartoum, therefore, will be the next point aimed at by the HERALD's Nile expedition; and as it is greatly favored by the generous assistance of the enlightened and enterprising Ismail Pacha and his officials, we feel secure of its success in joining Sir Samuel Baker. And for this generous assistance and for his hospitalities to all Americans we hereby tender our hearty thanks to the Khedive, and, in view of his great enterprises and of his wise and energetic efforts to keep pace with the progressive spirit of the age, we wish him many years of peace, health and prosperity.

The special despatch which we have been discussing mentions, also, as a fact worthy of notice, that the English railway survey of Soudan is nearly completed. Soudan is an immense region of different peoples and tribes in Central Africa, extending from the Upper Nile in the East across the Continent to the Niger and the Senegal, near the Atlantic coast. We believe this projected railway has for its object the bringing down to Sierra Leone the traffic of the fertile valley of the Niger, including Timbuctoo, and of the industrious tribes around Lake Tchad. This interior trade, from time immemorial, has mainly gone to the Mediterranean by caravans of camels across the Great Desert; but, with a British railway opening through the Atlantic coast mountains and forests, it will find an outlet which will greatly increase the African equatorial commerce of Great Britain. In conclusion, Africa, from these Nile expeditions, and these Livingstone expeditions, and those lately discovered diamond fields, and all these British colonial and railway enterprises, is becoming a very interesting quarter of the globe, and is destined to be more and more interesting and useful to the civilized world from year to year henceforward for ages to come.

A WARNING.—James Curry, the policeman who arrested a gentleman a week or two since and lodged him in the station house for driving a little faster than suited the representative of the locust brigade, was summarily dismissed from the Police Department yesterday by the Board of Commissioners. This should be a warning to other officious creatures now belonging to the police force, as many of them have not the slightest idea of their position. Like Bergh's deputies, they seem to think it their bounden duty to annoy respectable people whenever an occasion presents itself. Stopping ladies' carriages and altering check reins, and arresting gentlemen while driving along our streets, without reason, must be stopped; and the sooner these ignorant officials are taught their duty the better it will be for the character of the metropolis.

The Temporary Government of New York—Monsieur Tonnson Comes Again.

The struggle now going on in the State Capital for the temporary control of the government of New York, from the present time up to the first of May next, may appear to be of little interest to the people of the city; but the earnestness with which the politicians enter into it shows how much importance they attach to the result. It is desirable that the citizens of New York and the members of the Legislature from the rural districts should learn the real meaning of the movements now going on, in order that the former may know exactly in what direction they are drifting, and that the latter may be enabled to vote understandingly on the questions that are coming before them. The present fight at Albany goes beyond the mere temporary enjoyment of power in the city government; it reaches to the control of the next charter election through the weight of the municipal patronage and funds. Whoever can hold in his grasp the various city departments will be enabled, it is believed, to make such combinations and to wield such influence as to give him and his friends a great advantage in the charter campaign. There can be no other explanation of the efforts now being made in Albany to drive through the Legislature unnecessary laws making complete revolutions in the New York city and county government, that shall last only for three or four months, or just beyond the time when it is expected the new charter will come into operation and an election will be held under its provisions.

Comptroller Green is at the head of the Finance Department, to which position he was appointed by Mayor Hall. Both before his appointment as Acting Comptroller and subsequently he has discharged his duties faithfully and won the approval of his fellow citizens. By virtue of his office he holds a check upon all the public expenditures, and can resist the payment of any improper or fraudulent accounts against the city or county. He now asks the Legislature to increase his power to an unlimited extent; to invest him with supreme executive and judicial authority, and to make him, in fact, an autocrat over every city department and every city and county office. If the people of New York desire that he should have such power, and if the Legislature choose to give it to him, let it be done openly and above board, and not by indirect means. Two bills have been reported in the Senate—one placing in the Comptroller's hands supreme power over all street openings, gradings, paving, sewerage and every description of public improvements, and making his certificate the sole and exclusive evidence of all amounts due for any work that may be done on the streets, avenues and public places of the city. This bill is probably the most extreme in its provisions of any ever introduced into the State Legislature. The other bill reported by the committee is called by its title "An act regarding the apportionment of appropriations and the auditing and payment of certain claims in the city and county of New York." In its provisions it creates a seeming temporary Board of Audit and Apportionment, consisting of the Comptroller, the President of the Board of Public Works and the President of the Park Commission; but, as it requires that their action shall be concurrent or unanimous on any claim or apportionment, it in truth places the whole power as much in the hands of the Comptroller as if his name stood alone in the bill. Practically such an act might become a dead letter in case of any conflict of views between the members of the Board. It should in this respect be amended by substituting the President of the Board of Aldermen for the President of the Park Commission and making the vote of the majority rule. The Board is to have the power to make appropriations for the various city departments, and, as Mr. Green is a Commissioner of Parks as well as Comptroller, that Department would have two representatives on the Board of Apportionment as the bill is now drawn. It is desirable that this should be avoided, and it is also desirable, if not imperative, that the Board of Aldermen, an elective body and the legislative branch of the municipal government, should be represented on a Board of Audit and Apportionment.

The third section of the bill goes outside the title, and, although it seeks to accomplish its purpose in an indirect manner, it actually revives Comptroller Green's original proposition to enable him to practically abolish or create any department or office in the city of New York, by withholding or giving his written consent to the payment of its expenses or salary. All payments for work done, services performed, supplies and materials furnished for the city or county, are, under this clause, to be made "in all cases in which said Comptroller shall so order in writing." If the Comptroller should desire to "order in writing" the payment of the expenses or the salary of a new bureau or office, between the time of the passage of the bill and the first day of May next, he has the power to do so. Should he wish to abolish any existing bureau or office he can do so by withholding such "order in writing" for the payment of its expenses or employees. Now we insist that if such power is to be given into the Comptroller's hands it should be done openly and directly, and not in an indirect manner.

So far as the squabbles and bickerings of political factions or individuals are concerned the HERALD has no part or interest in them. We care nothing whether Comptroller Green or Commissioner Van Nort, Conkling or Fenton, Greeley or Murphy, Hawkins or Hank Smith obtains the inside track in a local organization or the whiphand in the next charter election. Whatever political and personal intrigues may be going on, or whatever clique may obtain a majority for its schemes at the State capital, the people of New York will take care that none but men of known worth, integrity and capacity shall be elected to power in the municipal government under any new charter that may be enacted. All we insist upon is that the city government—which has already suffered enough at the hands of political intriguers—shall not be made the football of scheming politicians or ambitious men at Albany even for the next three months. After that we have full confidence that the people of New York will take care of their own affairs and will elect substantial, practical reformers to office, in spite of all the tradings, bargainings, combinations and coalitions that may be made by

the several cliques and factions by which the metropolis is infested.

Our European Correspondence.

In another page of this morning's issue we print a most interesting budget of letters from the HERALD's correspondents abroad. From Italy we have an account of the grand receptions and entertainments which the Romans accorded to the delegates of the International Telegraphic Conference. The visit to the Roman Forum and the ruins of the Palace of the Caesars, the grand banquets, the kindly welcomes and the enthusiastic greetings which on every side and from all classes hailed the delegates, speak, more than words can explain, the appreciation of the Romans and of the honor paid to their ancient city in its being selected for the conference of the International Telegraphers. Well, indeed, may Cyrus W. Field, in his speech, refer to the fact that it was a "Genoese who forged a link between Italy and America which can never be broken;" and now, after a lapse of centuries, we find in the ancient capital of the world a representative of the youngest nation of the universe cementing in peaceful union with the representatives of various other nationalities a bond which will draw still closer to each other the numerous branches of the human family. The little iron wire which spans continents and crosses oceans will eventually prove a bond of peace and good will to all the human race.

Leaving fair Italy's classic grounds, and turning northward towards the rugged Russian Bear, we discover in the recent visit of the German warriors to celebrate the festival of the Order of St. George a still further desire to establish more firmly the good understanding between the people of the great Russian and German empires. May it long continue to exist! In Old England and in that great commercial mart, Liverpool, one of her most respected merchants takes the platform to proclaim aloud to his hearers that by the settlement of the difficulties existing between the United States and England, the English government "would have one of the warmest and truest alliances that she ever possessed." Thus we see the spread of friendship and of peace. With France before the mind's eye the strain must be altered. Unsettled, unhappy and undecided as to its future course, the destiny of the republic is uncertain. At Chiselhurst the Man of Sedan conspires—secretly, it is true, but no less energetically and effectively for that—for the restoration of his house, Gambetta, in the French provinces, acts his revolutionary sentiments, but speaks them not. Indecision marks the course of the Bourbon Princes for the re-establishment of the monarchy, and President Thiers, amid all these contentions, intrigues and plottings, labors hard to keep the republican ship of state afloat in the storms which threaten to engulf her.

A Grand Chance for the Roths